

A woman in a white lab coat with blue accents, blue gloves, and a blue face mask is operating a piece of laboratory equipment. She is looking down at the machine, which has a control panel with a screen and buttons. The background is a blurred laboratory setting.

State of New Jersey

Coronavirus Relief Fund

Action plan

Date: July 14, 2021

Table of Contents

Section 1: Executive Summary.....	1
Section 2: Impact to the State	3
2.1 Impacts to State, local government and governmental entities.....	3
2.2 Impacts on individuals’ needs and social services	4
2.3 Impacts on small businesses	4
Section 3: Funding Sources.....	6
3.1 CARES, Consolidated Appropriations Act of 2021 (CAA), and CRF.....	6
3.2 FEMA	6
3.3 Additional funding sources	8
3.4 Duplication of benefits.....	9
Section 4: Method of Distribution	10
4.1 Salaries and Administrative Leave	10
4.2 Institutions of Higher Education Relief Awards	11
4.3 Child Care Capacity.....	11
4.4 Small Business Grants.....	12
4.5 Health Benefits	13
4.6 Testing Capacity and Safe Isolation	13
4.7 School Re-Opening and Remote Learning	14
4.8 FEMA Match for the State and 12 Counties – Non-Federal Share of COVID-19 Related Expenses.....	15
4.9 COVID-19 Emergency Rental Assistance Program.....	15
4.10 Department Reimbursements.....	17
4.11 Local Government Emergency Fund.....	17
4.12 P25 Radio System	18
4.13 K-12 Education Digital Divide	18
4.14 Excluded New Jerseyans Fund.....	19
4.15 Assistance to Food and Beverage Establishments.....	20
4.16 Emergency Rates	20
4.17 New Jersey Transit.....	21
4.18 Increased Interest Payments	21
4.19 Food Banks	22
4.20 Assistance to Microbusinesses.....	22
4.21 Elections - 2020	23
4.22 Emergency Projects	24
4.23 Programs under \$20 million	25

Section 5: Monitoring Protocol for Sub-recipients of CRF31

- 5.1 Introduction31
- 5.2 Risk assessments32
- 5.3 Duplication of benefits assessments33
- 5.4 Desk reviews33
- 5.5 On-site reviews33
 - 5.5.1 Program management.....34**
 - 5.5.2 Financial management34**
 - 5.5.3 Acquisition management34**
 - 5.5.4 Cash management35**
 - 5.5.5 Property management35**
 - 5.5.6 Records management.....35**
- 5.6 Timing and conclusion of review.....35

Appendix A: Notable Spending Breakdowns37

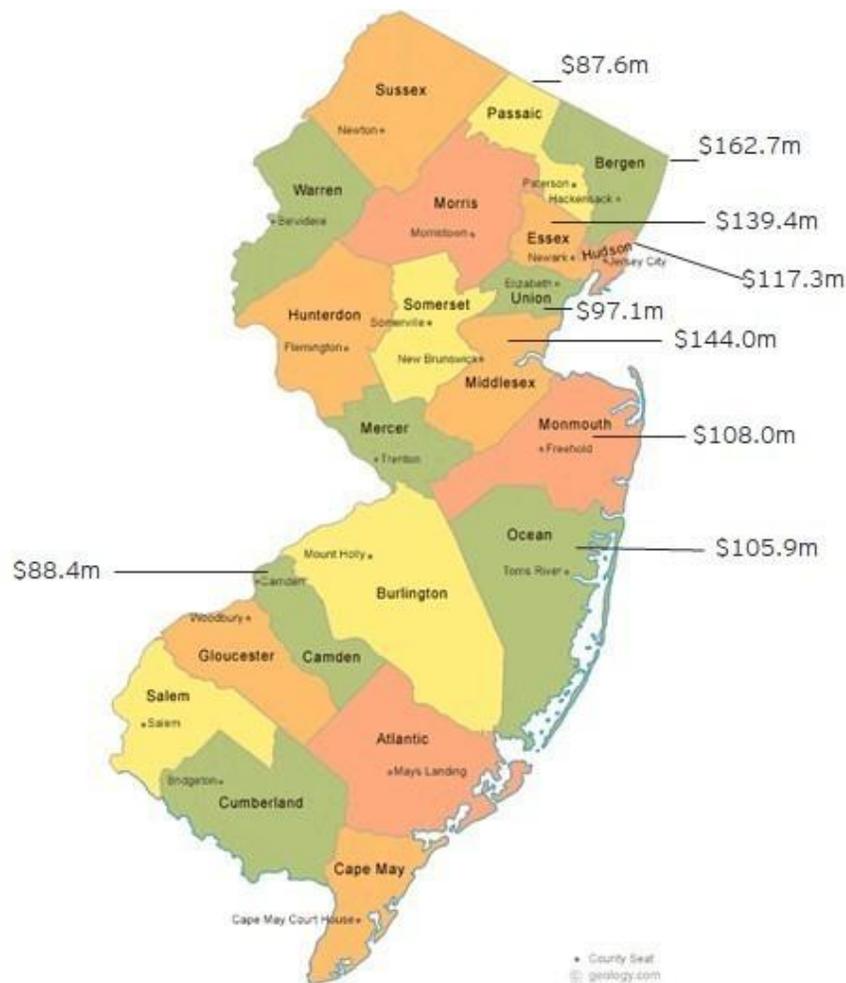
- A.1 EDA Small Business Grant37
- A.2 DOE School Re-Opening and Remote Learning37
- A.3 DCA Local Government Relief37
- A.4 DOE K-12 Digital Divide37

Section 1: Executive Summary

On March 27, 2020, former President Trump signed the Coronavirus Aid, Relief, and Economic Security Act, or CARES Act.

The CARES Act established the \$150 billion Coronavirus Relief Fund (CRF), which provides for payments to State, local, and Tribal governments navigating the impact of the COVID-19 outbreak. Payments from CRF (COVID-19 Recovery Funds) may be used to cover expenses that are necessary expenditures incurred due to the public health emergency caused by COVID-19.

Based on data from the U.S. Census Bureau's Population Estimates Program for determining the populations of States and local governments, New Jersey directly received \$2.39 billion from the Coronavirus Relief Fund. In addition to this \$2.394 billion, funds in the amount of \$1.05 billion were granted directly to counties for which the census shows a population of more than 500,000 people, including nine New Jersey counties, as depicted below. The use of this \$1.05 billion will not be discussed in this Action Plan.



As a result of this funding, New Jersey created this Action Plan to leverage CRF to address the challenges faced by the State. The Plan outlines the programs the State is using to distribute CRF moneys, along with addressing oversight and monitoring protocols associated with the funding.

The existing allocation of COVID-19 Recovery Funds is based on currently identified needs and CRF guidance. The allocation is still subject to change based on new US Treasury guidance, a new federal stimulus package, or newly identified COVID-19 related needs. Economic recovery is at the forefront of the State's decisions on how to use the

Federal funding and the related programs can be updated, as necessary. The following table lists the major categories of financial assistance to which New Jersey has currently allocated its COVID-19 Recovery Funds.

Method of Distribution	Total Current Allocation Amount
Payroll, Health Benefits, and State Capacity	\$ 828,447,157
K-12 Education Relief and Re-Opening	349,309,000
Higher Education Relief	225,200,000
Social Services and Health Care Supports	272,357,000
FEMA Match and Emergency Spending	160,678,000
Local Government Relief, Economic Development, and Housing Assistance	557,860,000
Total COVID-19 Recovery Funds	\$2,393,851,157

Based on US Treasury's initial guidance, CRF had a December 30, 2020 expenditure deadline. Subsequently, the federal Consolidated Appropriations Act of 2021 (CAA) extended the CRF expenditure deadline to December 31, 2021. As of June 30, 2021, nearly \$2.2 billion in CRF was expended, along with additional expenditures of other federal funding sources that can be found on the COVID-19 Transparency website: [State of New Jersey COVID-19 Finance Application \(nj.gov\)](https://www.nj.gov/treasury/finance/COVID-19/).

COVID-19 Recovery Program eligibility and duplication of benefits will be a focus of Federal oversight organizations, including the Special Inspector General at the US Department of Treasury, and various other Federal agencies' Inspectors General. Therefore, the State has requested that all agencies facilitating the COVID-19 Recovery Programs that are mentioned above provide documentation on how they ensured that there was not an overlap of fund reimbursement for the same activity or expense. Executive Order 166 (EO 166), signed by Governor Murphy on July 17, 2020, ensures accountability and oversight. A few of its tenets are as follows:

- It established the Governor's Disaster Recovery Office ("GDRO") and the COVID-19 Compliance and Oversight Taskforce ("Taskforce"). The GDRO will coordinate spending between agencies, ensure general oversight of all COVID-19 federal funds, and is creating a COVID-19 federal funds transparency website to provide information to the public on fund allocations and the progress of spending;¹
- Mandated the appointment of a COVID-19 Accountability Officer at each department, agency and independent authority receiving COVID-19 Recovery Funds or administering COVID-19 Recovery Programs. These roles have been filled;
- Allows for the use of Integrity Oversight Monitors;
- Required compliance training² with all state entities receiving COVID-19 federal funding to guard against common mistakes and to inform agencies about key federal compliance requirements. This has been conducted by the Office of the State Comptroller (OSC); and
- A fraud hotline has been set up to receive complaints concerning fraud, waste and abuse of CARES Act funds.

Navigating the myriad funding sources, understanding and complying with new and evolving requirements, maximizing and prioritizing the funding, and providing transparency and accountability are among the major challenges the State faces. This Action Plan directly addresses how the State will evaluate and respond to these challenges.

¹ In compliance with EO 166, the website will be launched on or before October 17, 2020.

² The training webinar is available publicly and can be found here: <https://www.youtube.com/watch?v=Syl2hqlc02E>

Section 2: Impact to the State

2.1 Impacts to State, local government and governmental entities

New Jersey State and local governments have been responding to unprecedented events caused by COVID-19. State and local government officials have been tasked with overseeing new safety protocols, creating new processes related to mandatory work-from-home orders, and responding to novel New Jersey residents' needs. The pandemic has also dramatically impacted numerous State and local government agencies, as their day-to-day operations have been severely disrupted.

State Budget

In late May 2020, the State initially projected a \$2.7 billion revenue shortfall for Fiscal Year 2020 (FY2020), and a \$7.2 billion revenue shortfall for FY21. To respond, the Governor and State Legislature enacted a three-month budget on June 30, 2020. The Governor withdrew \$850 million-worth of proposals originally outlined in February's FY2021 preliminary budget message. He also worked with the Legislature to de-appropriate nearly \$1.2 billion in enacted FY2020 spending. In the fall of 2021, the State enacted the "COVID-19 Emergency Borrowing Act" and borrowed nearly \$4.3 billion to ensure a balanced budget for the nine-month fiscal year.

Salaries

State and local government employees have been tasked with overseeing COVID-19 response, in addition to their daily jobs. This means an increase in trainings for front-line workers, modifications to normal processes to continue with their daily work while remote, and emergency meetings to identify and respond to potential COVID-19 repercussions to constituents. In many cases, essential workers such as police and corrections officers were moved to different areas to assist with COVID-19 response; for example, corrections officers supported new social distancing regulations.

Local Governments

Local governments faced significant revenue shortfalls from the pandemic, which led the Governor to sign legislation in August 2020 that allowed them to issue Coronavirus Relief Bonds.

Authorities

Amongst the various authorities within New Jersey, there has been significant losses in revenue due to reduced traffic and fees. New Jersey Transit in particular has suffered from reduced ridership, most notably in rail.

K-12 Education

COVID-19 caused districts throughout New Jersey to grapple with social distancing and health and safety measures that required periods of "remote learning" in which students engage in learning activities during traditional school hours, but are unable to be physically located in the classroom.

Higher Education

Many institutions of higher education implemented hybrid teaching models that combined in-person classroom instruction and online learning platforms.

Similar to K-12 Education, a hybrid model means additional costs to ensure the safety of the individuals attending in-person classes. This includes COVID-19 testing, acquisition of PPE, the removal of increased solid waste (such as it relates to the disposal of PPE). Payroll expenses are also affected as people work to enforce public health measures related to COVID-19 and mitigating, or responding to, COVID-19 (public safety, public health, health care, human services, and similar employees).

Technology Needs

The State's outdated unemployment system received significant public attention. Upgrades for social services systems (to handle both increased demand and less in-person support) were needed, and the State may also need to upgrade its internal technology infrastructure to allow for more remote work.

2.2 Impacts on individuals' needs and social services

With the temporary shutdown of many businesses, there was a rise in billions of dollars in additional unemployment needs within the State. This also caused an increased demand for affordable housing assistance. Additional State impacts include increased costs and stresses on the health care system.

Housing Assistance

In March 2020, the Governor issued Executive Order 106, which put in place a moratorium on evictions in light of recognized hardships related to COVID-19. To try and prevent a surge in evictions after the moratorium expires, the State has set up emergency rental assistance programs.

Income Assistance

The loss of employment, furloughs, and reduced hours resulting from COVID-19 impacts means that more citizens require basic assistance with housing, utilities, and food expenses.

Health Care

Medicaid costs increased significantly due to testing and treatment of those infected with COVID-19. The State currently spends \$4.7 billion for nearly 1.8 million residents.

As mental health needs and substance use disorder prevalence rises, access to treatment is paramount to treat individuals and to prevent potential deaths from suicides, overdoses, and other causes.

New Jersey also projected significant behavioral health support needs from (a) front line workers, (b) people who are infected with COVID-19 or who know someone who is severely infected or dies, (c) those who are affected by social distancing and isolation, and (d) those who suffer economic losses.

Child Care

Approximately 21,000 school-aged children in New Jersey's Child Care Subsidy Program receive primarily part-time care after school. Unfortunately, if their school provided classes entirely virtually or through a hybrid model, a supervised place to stay and take classes is now necessary for a longer day. Child Care Providers serving subsidy-eligible children needed to continue to accept and continue supporting subsidy-eligible families, as well as take on additional children whose parents could not supervise them during the school day. For these additional families, child care was an added expense that was not needed prior to COVID-19. The concern is how to best address this to support affordable and equitable access to this supervision.

2.3 Impacts on small businesses

In New Jersey, small businesses, and residents employed by these businesses, are facing economic challenges. Businesses are having difficulty paying monthly lease obligations and supporting basic operating expenses. Unfortunately, this is expected to increase during a prolonged period of restricted operation or closing. Without a source of immediate relief, countless small businesses in New Jersey may be forced to close.

In many cases, small businesses solely survive with storefronts. Without the public having access to their stores, businesses are struggling to keep their leases while also incurring additional expenses to utilize temporary alternatives such as online sites. This also means that property owners will feel a potential revenue impact as tenants permanently close and leases are cancelled.

More than one third of all New Jersey workers are employed by organizations of 100 employees or less. Many of these companies do not have the resources to obtain Personal Protective Equipment (PPE) as they were considered non-essential to many of these organizations before the COVID-19 outbreak and were, therefore, outside of their normal retail buying channels. However, it is critical today. Small businesses in underserved communities are particularly vulnerable to being outbid on essential goods when constricted market conditions occur.

Child Care Providers are primarily small businesses who are struggling to stay or reopen after having been temporarily closed. Unanticipated costs are a burden to these businesses, ones associated with keeping their

businesses afloat during this pandemic. These include additional payroll to create small rooms, the purchase of PPE, to purchase supplies and materials related to cleaning and smaller rooms, and other operational needs.

Section 3: Funding Sources

3.1 CARES, Consolidated Appropriations Act of 2021 (CAA), and CRF

As per the CARES Act, CAA and CRF will cover costs that meet the following criteria:

- Are necessary expenditures incurred due to the public health emergency with respect to COVID-19;
- Were not accounted for in the budget most recently approved as of March 27, 2020; and
- Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020 (amended to December 31, 2021).

The requirement that expenditures be incurred “due to” the public health emergency means that expenditures must be used for actions taken to respond to this emergency. These may include expenditures incurred by New Jersey to respond directly to the emergency, such as medical or public health needs. These expenditures may also include those incurred to respond to secondary effects of the emergency, such as providing economic support to those suffering from unemployment or business closures due to COVID-19.

Examples of eligible expenses include the following:³

- Administrative Expenses
- Budgeted Personnel and Services Diverted to a Substantially Different Use
- COVID-19 Testing and Contact Tracing
- Economic Support (Other than Small Business, Housing, and Food Assistance)
- Expenses Associated with the Issuance of Tax Anticipation Notes
- Facilitating Distance Learning
- Housing Support
- Improve Telework Capabilities of Public Employees
- Medical Expenses
- Nursing Home Assistance
- Payroll for Public Health and Safety Employees
- Personal Protective Equipment
- Public Health Expenses
- Small Business Assistance

3.2 FEMA

Under the “COVID-19 Emergency Declaration for New Jersey,” dated March 25, 2020, FEMA offered public assistance for emergency protective measures, if not funded by the Department of Health and Human Services (HHS)/ Center for Disease Control and Prevention (CDC) or another Federal agency. While some items listed below may be eligible for funding by HHS/CDC, FEMA did not duplicate any assistance already provided by another agency.

State, territorial, tribal, and local government entities. FEMA assistance related to the COVID-19 pandemic is provided at a 100% reimbursement to the state. New Jersey applied to FEMA for funding. Local governments and other eligible public assistance applicants in New Jersey applied through the State government.

³ This can be found at: <https://home.treasury.gov/policy-issues/cares/state-and-local-governments>

Guidance from FEMA and the Department of Treasury on how FEMA and CRF interact is ongoing. A description of FEMA's traditional support roles related to pandemic scenarios is provided below.

FEMA may provide assistance for emergency protective measures including, but not limited to, the following:⁴

Management, control and reduction of immediate threats to public health and safety, including:

- Emergency Operation Center costs
- Training specific to the declared event
- Disinfection of eligible public facilities
- Technical assistance to state, tribal, territorial or local governments on emergency management and control of immediate threats to public health and safety

Emergency medical care:

- Non-deferrable medical treatment of infected persons in a shelter or temporary medical facility
- Related medical facility services and supplies
- Temporary medical facilities and/or enhanced medical/hospital capacity (for treatment when existing facilities are reasonably forecasted to become overloaded in the near term and cannot accommodate the patient load or to quarantine potentially infected persons)
- Use of specialized medical equipment
- Medical waste disposal
- Emergency medical transport
- Medical sheltering (e.g., when existing facilities are reasonably forecasted to become overloaded in the near future and cannot accommodate needs)
- All sheltering must be conducted in accordance with standards and/or guidance approved by HHS/CDC and must be implemented in a manner that incorporates social distancing measures
- Non-congregate medical sheltering is subject to prior approval by FEMA and is limited to that which is reasonable and necessary to address the public health needs of the event, is pursuant to the direction of appropriate public health officials and does not extend beyond the duration of the Public Health Emergency.
- Household pet sheltering and containment actions related to household pets in accordance with CDC guideline.
- Purchase and distribution of food, water, ice, medicine, and other consumable supplies, to include personal protective equipment and hazardous material suits movement of supplies and persons.
- Security and law enforcement
- Communications of general health and safety information to the public
- Search and rescue to locate and recover members of the population requiring assistance
- Reimbursement for state, tribe, territory and/or local government force account overtime costs

⁴ This can be found at: <https://www.fema.gov/fact-sheet/eligible-emergency-protective-measures>

3.3 Additional funding sources

In addition to CRF and FEMA, New Jersey has also been awarded funds earmarked for specific purposes due to the federal COVID response bills passed in the spring of 2020. These include the following:

Grant	Amount for NJ	Dept/Status
ELC Enhancing Detection, PPP and Healthcare Enhancement Act of 2020	\$613,790,442	Department of Health (DOH). Specifically directed for states to develop, purchase, administer, process, and analyze COVID-19 tests, conduct surveillance, trace contacts and related activities.
Increased Federal Medical Assistance Percentage (FMAP)	\$456,333,000	Department of Human Services (DHS). Funds covered State Medicaid payments, with some additional payments for Direct Support Professionals and other needs.
Governor's Emergency Education Relief Fund (GEERF)	\$68,864,994	Department of Education (DOE)/Office of the Secretary of Higher Education (OSHE). Grants awarded under the GEERF were used to support the ability of local educational agencies (LEAs) and institutions of higher education (IHEs) to continue to provide educational services to their students.
Elementary and Secondary Education Emergency Relief Fund (ESSERF)	\$310,371,213	Department of Education (DOE). elementary and secondary education assistance
Emergency Solutions Grants	\$38,716,393	Department of Community Affairs (DCA). Funding allocated to DCA's rental assistance program
CDC Crisis CoAg Funds	\$21,224,891	Department of Health (DOH). Testing, tracing, epidemiological related costs.
CARES Act – FTA Rural Communities	\$13,321,545	New Jersey Transit Authority. For rural communities' transit operations.
Secretary of Commerce Fisheries Assistance Program	\$11,247,242	Department of Environmental Protection (DEP). CARES Act funds for fisheries: commercial fishing businesses, charter/for-hire fishing businesses, qualified aquaculture operations, processors, and other fishery-related businesses.
Community Development Block Grants	\$35,614,069	Department of Community Affairs (DCA). Funding allocated to DCA's rental assistance program.
Byrne-JAG	\$11,816,087	Department of Law and Public Safety. Program provided states, tribes, and local governments with critical funding necessary to support a range of program areas including law enforcement, prosecution, and drug treatments.
Election Security Grants	\$10,296,913	Department of State. The Department used these funds to respond to state and local needs.
National Endowment for the Arts	\$492,700	Department of State. Supported arts programs, services, and activities associated with carrying out the agency's National Endowment for the Arts-approved strategic plan, as well as salaries, administration costs, and related

Grant	Amount for NJ	Dept/Status
		sub granting to the nonprofit arts sector.
ESSERF (CAA)	\$1,230,971,757	Department of Education (DOE). Elementary and secondary education assistance
Various Child Nutrition Programs	\$224,166,836	Department of Agriculture (DOA). Funding allocated to provide meals and milk to students while they are not in school along with meals to adults and children.
Chafee independent Living-Supporting Foster Youth & Families through the Pandemic Act (CAA)	\$3,569,451	Department of Children and Families (DCF). Funding for Independent Living-Supporting foster youth and families.
FHWA Surface Transportation Block Grant (CAA)	\$247,953,335	Department of Transportation (DOT). Provides flexible funding that may be used by States and localities for projects to preserve and improve the conditions and performance on any Federal-aid highway, bridge, and tunnel projects on any public road, pedestrian, and bicycle infrastructure, and transit capital projects, including intercity bus terminals.

3.4 Duplication of benefits

One of the key risks in the responsible distribution of federal disaster recovery funding is the potential for a beneficiary to receive funds from multiple sources for the same benefit, known as a duplication of benefits. The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) provides that the same costs/damages cannot be addressed by multiple sources. In the event that a duplication of benefits occurs, the Inspector General can recommend to the funding agency that the agency recapture duplicative funds. Since the State is distributing all funds to the agencies overseeing the COVID-19 Recovery Funds, the State would then have to remit to the Federal funding agency the amount that the Inspector General determines to be duplicative. It is therefore imperative that the State mitigate the duplication of benefits risk. Section 4 discusses the potential opportunities for duplication of benefits within the COVID-19 Recovery Programs and what steps are being taken to address the risks.

Section 4: Method of Distribution

The COVID-19 pandemic has impacted all aspects of New Jersey's economy, requiring the State government to respond with targeted solutions to revive the economy and protect the most vulnerable. CRF presents an opportunity for programs to stimulate the economy by focusing on those with the greatest needs. Based on the input from the impacted communities throughout New Jersey, the State has prioritized a portfolio of programs assisted in meeting the short- and long-term recovery needs of the State, its residents and communities due to the impact of COVID-19. The funds have strengthened safety nets and generated economic stimulus to help New Jersey emerge from the COVID-19 related recession stronger and fairer, as well as stabilize the State's revenue base. While the impact of the pandemic was much greater than the resources available, these programs began to address the unmet needs of the community via Economic Development Programs, Housing Relief Programs and Workforce Development Programs.

CRF has been used to make payments for specified uses to States and certain local governments. The CARES Act requires that payments from CRF only be used to cover costs that are necessary expenditures incurred due to the public health emergency with respect to COVID-19. Presented below are New Jersey's COVID-19 Recovery Programs and administering agencies' funding plans that addressed the impacted communities. Memorandums of Understanding (MOUs) have been put in place to help ensure that the programming is in compliance with CRF requirements. The recovery activities herein will explain how the State provided assistance to those New Jersey residents who have demonstrated urgent needs.

Note: Activity allocations are as of July 2021.

4.1 Salaries and Administrative Leave

The State used \$483 million of available CRF money to pay salaries for employees substantially dedicated to mitigating or responding to the COVID-19 pandemic. Eligible expenditures included, but are not limited to, payment for: Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency. However, payroll or benefits expenses for employees whose work duties were not substantially dedicated to mitigating or responding to the COVID-19 public health emergency would not be eligible under the CARES Act.

Entity Administering the Program:	Department of Treasury
Allocation for Activity:	\$483 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	Agencies who had employees working directly for COVID-19 response.
Eligible Criteria:	Entire payroll cost of an employee whose time was substantially dedicated to mitigating or responding to the COVID-19 public health emergency.
Potential Duplication of Benefits:	This will be updated if a potential duplication of benefits is identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4185 (January 15, 2021) on the use of funds to cover payroll and benefits of public employees. ⁵

⁵ The January 15, 2021 86 Fed. Reg. can be found at: https://home.treasury.gov/system/files/136/Coronavirus-Relief-Fund-Frequently-Asked-Questions.pdf?utm_medium=email&utm_source=govdelivery

4.2 Institutions of Higher Education Relief Awards

OSHE distributed funds to institutions of higher education for their expenditures for enabling distance learning, refunds for students' unused room and board, and pending COVID-19 related costs including intensified cleaning and disinfection procedures not covered by FEMA.

The \$225 million in funds were allocated based on an OSHE-developed allocation rationale that incorporates priority student populations from the New Jersey State Higher Education Plan, "Where Opportunity Meets Innovation: A Student-Centered Vision for New Jersey Higher Education." This includes underrepresented minorities and overall student enrollments. These priority populations have been disproportionately affected by the COVID-19 pandemic. As such, institutions serving larger proportions of these students received a larger share to ensure funding is distributed equitably.

Entity Administering the Program:	Office of the Secretary of Higher Education
Allocation for Activity:	\$225 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	Senior publics, community colleges, and AICUNJ schools
Eligible Criteria:	New Jersey's public institutions and four-year public mission independent institutions of higher education that have experienced hardships due to the COVID-19 pandemic.
Potential Duplication of Benefits:	Various Federal funding sources were utilized by Higher Education. The detailed budget regularly submitted by the Institutions of Higher Education should reflect expenses to be reimbursed of allowable past expenses not already covered by CARES Act (i.e. federal Governor's Emergency Education Relief Fund (GEERF) or the federal Higher Education Emergency Relief Fund (HEERF)) and/or through other federal or state sources, like FEMA.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4192 (January 15, 2021) which details school related costs as an example of eligible expenses.

4.3 Child Care Capacity

The child care industry in New Jersey is facing hardships as it was unable to retain the same volume as it used to due to social distancing guidelines. Child care providers were also facing additional costs as PPE and cleaning and disinfecting must be made available in all facilities.

DHS/DCF created the Child Care Stabilization Initiative, which included 1) restart grant funds to support the State's 6,000 currently existing child care providers who remain operational during this health crisis effective October 1, 2020; 2) pay full-time rates and supplemental funding for subsidy-eligible families and 3) tuition scholarships for non-subsidy eligible who need supervision for their school-aged child(ren).

Entity Administering the Program:	Department of Human Services / Department of Children and Families
Allocation for Activity:	\$201 million
Maximum Award:	<ul style="list-style-type: none"> • Stabilization - \$17,000 per center, depending on size of center • Tuition scholarships/ supplemental grants - \$710 per month/ per child

Eligible Applicants:	Childcare providers
Eligible Criteria:	Childcare providers stayed open to provide service to subsidy-eligible children and those who needed childcare due to virtual or hybrid model schooling.
Potential Duplication of Benefits:	The State received \$63 million from the CARES Act's Child Care and Development Block Grant. This money has already been utilized in other areas, which did not overlap with this program. EDA's Small Business Grants provided grants to childcare centers if they were identified as small businesses.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details childcare related costs as an example of eligible expenses.

4.4 Small Business Grants

This program provided short-term, immediate payroll and working capital support to New Jersey small and medium sized enterprises (businesses and non-profits) (SMEs) facing prolonged operating restrictions or closure as a result of the COVID-19 pandemic. To ensure equity, \$15 million was reserved for businesses in Opportunity Zone-eligible census tracts to target support for MWBEs. Additionally, the Economic Development Agency (EDA) received \$10M each from three counties that received direct funding allocations from CRF to help support this program. That money was allocated and reserved specifically for businesses in the respective three counties. Phase 3 reserved funding for the most adversely affected businesses: restaurants, micro-businesses, and businesses based in Opportunity Zone-eligible census tracks.

Entity Administering the Program:	Economic Development Agency
Allocation for Activity:	\$199 million (See Appendix A.1 for spending breakdown)
Maximum Award:	\$5,000 (Phase 1)/\$10,000 (Phase 2) per application (one application per Employer Identification Number). Phase 3 total funding requested \$73.5 million.
Eligible Applicants:	Each eligible SME must have between one and ten (Phase 1)/twenty-five (Phase 2) full time employees as reported on their New Jersey 4 th Quarter 2019 WR-30 filing with the New Jersey Department of Labor and Workforce Development. The SME had a physical location in New Jersey. Phase 3, which expanded eligibility for the grant program to small and medium sized businesses and non-profits with up to 50 full-time equivalent employees.
Eligible Criteria:	Funding may be used for unrestricted payroll and working capital support. Funding cannot be used for capital expenses, including instruction. Applications were accepted on a first-come, first-served basis
Potential Duplication of Benefits:	EDA regularly communicated with NJRA, HMFA and DCA which all distributed CRF funds and developed a process to share information about applicants receiving funds from various financial assistance programs provided by the State. Applicants with five or fewer full-time equivalent employees that were approved for funding under the Phase 1 SME Program were not eligible for the Phase 2 SME Program. All applicants were required to fill out an affidavit identifying all funding

	sources related to COVID-19, including but not limited to prior grants, insurance, Small Business Administration loans and grants, forgivable portions of Payroll Protection loans, and Economic Injury Disaster grants. Additionally, there were counties administering similar small business assistance grant programs; however, EDA held the counties responsible to perform the duplication of benefits analysis since EDA's programs were active before those of the counties.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4189 (January 15, 2021) which detail grants to small businesses as an example of eligible expenses.

4.5 Health Benefits

The State's third-party medical vendor, Horizon Blue Cross Blue Shield of New Jersey ("Horizon") estimated the State Health Benefits Program ("SHBP") and School Employees' Health Benefits Plan ("SEHBP") incurred approximately \$200 million of increased claim costs due to COVID-19. The State used \$119 million for eligible increases in employee health benefits unaccounted for in previously enacted budgets.

Entity Administering the Program:	Department of Treasury
Allocation for Activity:	\$146 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	State and local employers.
Eligible Criteria:	Claim costs incurred as a result of COVID-19.
Potential Duplication of Benefits:	The Department of Treasury and New Jersey Division of Pensions and Benefits (NJDPB) retain all obligations by law and acknowledge the successful completion requires cooperation between both departments.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4185 (January 15, 2021) which details certain public employee payroll expenses related costs as an example of eligible expenses.

4.6 Testing Capacity and Safe Isolation

In order to take necessary and appropriate action against the public health hazard and to protect, maintain and restore the health, safety and welfare of State residents, public health experts have determined that the expansive and extensive testing of individuals is essential for mitigating and controlling the spread of the virus. These funds have been allocated for COVID-19 testing purposes for staff who may have faced exposure at work or at institutions such as developmental centers, psychiatric hospitals, and correctional facilities, as well as for vulnerable populations beyond what the CDC's Epidemiology and Laboratory Capacity funds supported as the State prepares for potential resurgence of the pandemic.

Entity Administering the	Department of Health & Miscellaneous Departments
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Program:	
Allocation for Activity:	\$112 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	Employees who worked at developmental centers, group homes, and harm reduction centers.
Eligible Criteria:	<ul style="list-style-type: none"> • Costs of providing COVID-19 testing, including serological testing were eligible. • Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment were eligible.
Potential Duplication of Benefits:	DOH, DHS, and other Departments must ensure CRF expenditures are not duplicated.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details COVID-19 testing related costs as an example of eligible expenses.

4.7 School Re-Opening and Remote Learning

As the threat of COVID-19 continues for the 2020-21 school year, districts throughout New Jersey contended with social distancing and health and safety measures required periods of remote learning. This program supported school districts reopening. DOE provided districts with a list of eligible expenditures, including those for sanitation, PPE, and new equipment to increase the efficacy of social distancing, and HVAC filters. DOE also reimbursed for planning and implementing activities related to supplemental afterschool programs and for partnering with licensed childcare centers to offer supervision for students in times of remote learning during the school day, consistent with the childcare center's license.

Entity Administering the Program:	Department of Education
Allocation for Activity:	\$100 million (See Appendix A.2 for spending breakdown)
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	Districts that have attested they were unable to reopen for in-person instruction due to health and safety concerns in their buildings. Schools that opened fully used funds to maintain health and safety standards to ensure they can remain open for in-person instruction or reimbursed themselves for supplies and materials already purchased.
Eligible Criteria:	School districts in New Jersey had to define their current deficiencies, how they spent the money to remediate, and their anticipated timeline to implement the improvements and allow reopening.
Potential Duplication of Benefits:	ESSER funds and philanthropic support were utilized to increase the funding capacity. The Department discussed restricting CRF DOE Funds to a specific account (Fund 20) so they can ensure funds were used for DOE's specified purpose and were not merged with other funds.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4192 (January 15, 2021) which

	details school related costs as an example of eligible expenses.
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4.8 FEMA Match for the State and 12 Counties – Non-Federal Share of COVID-19 Related Expenses

Based on the initial Federal cost share of 75%, funding was made available directly to the State, as well as pass-through to local government units that were not eligible for federal funding allocated through the CARES Act. This funding had been reserved for the 25% non-Federal share, which was to be used as the State’s match for FEMA DR4488 reimbursable COVID-19 related spending. On February 3, 2021, the President issued a directive that authorized a 100% federal cost share to be paid by FEMA for the costs of activities that were previously determined eligible, from the beginning of the pandemic in January 2020 through September 30, 2021. Pursuant to the February 2021 directive, the State recouped and will reallocate the FEMA match non-federal share totaling \$97 million.

Entity Administering the Program:	Office of Emergency Management
Allocation for Activity:	\$97 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	State and local county government agencies
Eligible Criteria:	Funds can be used to provide the State or local government match for purposes of protective measures to deal with the COVID-19 pandemic pursuant to FEMA DR4488. Funding shall be used as the 25% match for reimbursable COVID-19 related spending.
Potential Duplication of Benefits:	All State and local government departments and agencies must first pass through FEMA to determine eligibility. Then, per the direction of the United States Department of Treasury, the State and local government can use CRF money for the 25% match to FEMA reimbursable expenditures.
Applicable Guidance:	In an email to governors’ offices on May 19, 2020, the White House announced that states may use Coronavirus Relief Fund (CRF) dollars, provided under the CARES Act, to pay for FEMA’s 25 percent cost share requirements under the Stafford Act. ⁶ FEMA’s February 3, 2021 directive authorizing 100% federal cost share can be found at https://www.fema.gov/press-release/20210203/fema-statement-100-cost-share

4.9 COVID-19 Emergency Rental Assistance Program

DCA administered a short-term rental assistance grant program to provide temporary aid to households that had a substantial reduction in income due to the COVID-19 pandemic. DCA also used federal Emergency Solutions Grant

⁶ The email to the governors’ offices can be found out: https://www.nga.org/wp-content/uploads/2020/04/NGA-Memo_Cost-Share_Final.pdf

(ESG) funding to expand this program. The CRF represents a critical source of funding for the housing relief efforts the State developed to assist landlords and tenants once the eviction moratorium ends.

This rental assistance program was designed to help tenants with up to six months of rental assistance by paying a portion of eligible tenants' rent payments directly to landlords. The rent payment period covered rent incurred from August 1, 2020 through June 30, 2021. Payments per household depended on a variety of factors such as location, rental market, family size and average income per household.

Entity Administering the Program:	Department of Community Affairs
Allocation for Activity:	\$91.8 million
Maximum Award:	Residents paid a minimum of 30% of their income towards rent, with this Program assisting with the remainder, up to a cap of the DCA payment standard or the total of the rent, whichever is lesser. All participants were reviewed at 3 months to determine if they were still in need of assistance.
Eligible Applicants:	New Jersey resident renting a unit in New Jersey
Eligible Criteria:	Must be a New Jersey resident renting a unit in New Jersey. Must have earnings under a certain income dollar level per household. Must have current payments in rent as of March 1, 2020 and experienced lost income completely or significantly since March 1, 2020.
Potential Duplication of Benefits:	<p>Given the similarity in benefits of the DCA Rental Assistance Program and New Jersey Housing and Mortgage Finance Agency's (HMFA) Small Landlord Program, the two agencies took precautionary measures to ensure there were no duplication of benefits. DCA's Rental Assistance Program began August 1, 2020 and went through June 30, 2021, whereas HMFA's Small Landlord Program ended on July 31, 2020. Consequently, there was not a cross-over in timeframe for these two programs. Additionally, DCA, HMFA, Economic Development Agency (EDA) and New Jersey Redevelopment Authority (NJRA) were comparing and sharing information regarding their programs' recipients to ensure that any overlap was identified. DCA also asked for all means of income, including unemployment benefits, to ensure that all income was appropriately and accurately accounted for when selecting the best fit recipients.</p> <p>With regard to ESG funds, they were reserved for lower-income residents. DCA was aware that Hudson and Atlantic counties had similar rental assistance programs and worked with them directly to avoid any duplication of benefits with the county programs</p>
Applicable Guidance:	The US Treasury's Coronavirus Relief Fund FAQ addresses clarification surrounding rent expenses. Refer to questions 23 and 44 for rent specific Q&A's. <i>See</i> Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4189 (January 15, 2021) which details emergency rental assistance as an example of eligible expenses. <i>See also</i> U.S. Department of the Treasury, Emergency Rental Assistance, Frequently Asked Questions, Revised May 7, 2021, that allowed grantees to rely on an attestation from the applicant regarding non-duplication of benefits with other government assistance in providing assistance to a household.

4.10 Department Reimbursements

The State allocated funds for those departments which were forced to take on significant costs in the early stages of the pandemic. Currently, departments that used these funds are Department of Corrections, which had to increase payments to county jails (\$15.2 million); DHS, which had to create the Pandemic Electronic Benefit Transfer and COVID Mitigation (\$24.1 million); Children and Families (\$6.1 million), Judiciary (\$2 million), Treasury (\$5.8 million), Motor Vehicle Commission (\$3.2 million), Casino Reinvestment Development Authority (\$3.7 million), Law and Public Safety (\$2.8 million), and EDA (\$13.5 million) which created a number of grant and loan programs before CARES was enacted. These funds were used to reimburse departments for eligible expenditures incurred due to COVID-19.

Entity Administering the Program:	Various agencies
Allocation for Activity:	\$77 million
Maximum Award:	Initial actual amounts expended by the departments.
Eligible Applicants:	Agencies that incurred CRF eligible expenses.
Eligible Criteria:	Expenses had already been incurred, as the funds were used to reimburse departments for actual expenditures.
Potential Duplication of Benefits:	Departments ensured funds were used to cover eligible CRF expenditures and did not include expenses that may have been reimbursed by other federal funding sources.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details grants to state prisons and county jails, and details general expenses necessary to the function of government.

4.11 Local Government Emergency Fund

Widespread unemployment and business closures have troubled New Jersey counties and the local government. The economic impact of the shutdown left the food service and accommodations industries in distress, which are the economic backbone of New Jersey's four shore counties, two of which did not receive direct CRF from the US Treasury. Counties are on the front line against COVID-19 through surveillance, testing, contact tracing, public education and other activities. It is estimated that severe tax and fee revenue losses and sharp increases in health benefit, health and human services, public safety, overtime and equipment and supply expenditures produced operating deficits in a majority of New Jersey municipalities.

Entity Administering the Program:	Department of Community Affairs
Allocation for Activity:	\$61 million (See Appendix A.3 for spending breakdown)
Maximum Award:	The allocation formula used a variety of relevant metrics, including the municipal COVID-19 rate, fiscal stress, the Municipal Revitalization Index, local tax collection rates, population, and public safety and Health and Human Services expenditures' share of the budget to determine which counties and municipalities receive what share of the funds.
Eligible Applicants:	Local units.
Eligible Criteria:	Local units that were excluded from the federal government's direct CRF allocation plan providing direct support to many of the most affected and

	currently under-supported regions of the State.
Potential Duplication of Benefits:	There may be alternative federal sources of funding. Reimbursable expenses included only those items not already funded by other sources.
Applicable Guidance:	Reference 2 CFR § 200.330a for subrecipient definitions and subsequent guidance and subaward of federal funding. Requirements for the use of funds by subrecipients are the same as those outlined in the CARES Act and subsequent 86 Fed. Reg. by which funding recipients must abide. See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4194 (January 15, 2021) which details guidance on the administration of funds requirements for recipients and subrecipients.

4.12 P25 Radio System

The recommendations from Federal Communications Commission (FCC) and the Cyber Security and Infrastructure Agency (CISA), identified communications as critical to help protect the health and safety of our citizens by ensuring that the communications industry has the requisite access and resources needed to keep Americans connected during these challenging times.

New Jersey Office of Emergency Management (NJOEM) supported all aspects of the New Jersey statewide response to the public health emergency created by the impact of the COVID-19 health emergency. This support included providing communications at all Community Based Testing Sites (CBTS), Field Medical Stations (FMS) and hospital expansion locations, temporary morgues, non-congregate sheltering locations and deployment of the 100 ambulances through the National Ambulance Contract by the EMS Task Force. The purchase of the P25 Radio System enabled NJOEM to upgrade their communication system to meet future demands of events such as the COVID-19 public health emergency.

Entity Administering the Program:	NJOEM
Allocation for Activity:	\$60 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	15 State Agencies and 7,276 Subscribers
Eligible Criteria:	Communication and enforcement expenditures by State, territorial, local and Tribal governments of public health orders related to COVID-19 were eligible.
Potential Duplication of Benefits:	Based on the current Fund use, no potential duplication of benefits had been identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details communication and public health and safety measures as examples of eligible expenditures.

4.13 K-12 Education Digital Divide

Schools in New Jersey were closed to in-person instruction in March 2020 to mitigate the spread of COVID-19. While school closures were necessary to protect public health, DOE estimated that over 230,000 students across

New Jersey had been impacted by the “digital divide” while learning remotely. The “Digital Divide” included efforts to ensure reliable internet connectivity and access to digital devices were accomplished ahead of the 2020-2021 school year reopening. Part of DOE’s guidance assisted schools in preparing for the upcoming school year established a hybrid learning model including remote learning, meaning that students needed continued access to the internet and digital devices.

Entity Administering the Program:	Department of Education
Allocation for Activity:	\$49 million (See Appendix A.4 for spending breakdown)
Maximum Award:	\$10 million formula grant per district.
Eligible Applicants:	Public school districts.
Eligible Criteria:	Public schools invested in technology to ensure children were receiving necessary access.
Potential Duplication of Benefits:	ESSER funds and philanthropic support were utilized to increase the funding capacity. The Department had discussed restricting CRF DOE Funds to a specific account (Fund 20) so that they ensured the funds were only used for DOE’s specified purpose and were not merged with other funds.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4192 (January 15, 2021) which details school related costs as an example of eligible expenses.

4.14 Excluded New Jerseyans Fund

Numerous federal assistance programs and initiatives were undertaken to ameliorate the negative impacts of the COVID-19 pandemic. However, not all New Jerseyans who suffered from the impacts were eligible to receive federal recovery assistance. This program provided a one-time direct cash benefit for previously excluded adults.

Entity Administering the Program:	Department of Human Services
Allocation for Activity:	\$40 million
Maximum Award:	\$1,000 per eligible adult, with a \$2,000 maximum benefit per household.
Eligible Applicants:	Any individual who did not receive federal assistance—including ITIN filers, SSN holders, and any other individuals otherwise excluded. Households with a total income of \$55,000 or less (roughly 200% of the Federal Poverty Level for a family of four).
Eligible Criteria:	Applicants had to demonstrate they suffered an economic hardship due to COVID-19, such as a loss of income or new COVID-related expense.
Potential Duplication of Benefits:	Applicants had to establish that they were not eligible for federal stimulus checks or unemployment insurance.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4189 (January 15, 2021) which discusses emergency financial assistance to individuals and families directly impacted by a loss of income due to the public health emergency.

4.15 Assistance to Food and Beverage Establishments

This program provided assistance to restaurants and dining establishments at which 100 or fewer workers were employed at a location in NJ, and to bars, breweries, brewpubs, wineries, or other serving alcoholic beverages on its premises at which 100 or fewer workers are employed at a location in this State. Thirty-three percent (33%) of the funding within this category was directed to support entities that had a commercial business address (or home address for home-based businesses) located (fully or partially) in a census tract that was eligible to be selected as a New Jersey Opportunity Zone (i.e., a New Market Tax Credit census tract).

Entity Administering the Program:	Economic Development Authority
Allocation for Activity:	\$35 million
Maximum Award:	5 FTEs or fewer, including businesses with no FTEs - \$10,000 6-25 FTEs - \$15,000 26-50 FTEs - \$20,000
Eligible Applicants:	Small businesses that had revenue lost as a result of a business interruption caused by COVID-19.
Eligible Criteria:	Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
Potential Duplication of Benefits:	EDA was responsible for implementing controls within its grant programs that assess and determine expenditures are necessary due to the COVID-19 public health emergency and ensure that these funds do not duplicate already existing sources of small business grant funds these businesses.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which discusses small business interruption reimbursements.

4.16 Emergency Rates

DOH and DHS aimed to protect the State's residents and hold responsibility for providing direct care services to residents of the State's psychiatric hospitals and developmental centers during COVID-19. The institutions provided vocational, habilitative, health, psychological and social services for its residents, many who required 24/7 oversight and care. Health needs increased due to social distancing and disinfection policies, but the assistance provided to patients with significant underlying physical health conditions and behavioral needs still required staff to have frequent close contact with individuals. These workers were at increased risk of infection and DOH therefore had established temporary emergency rates of compensation while these conditions were present.

Entity Administering the Program:	Department of Health / Department of Human Services
Allocation for Activity:	\$33 million
Maximum Award:	Non-exempt and exempt employees receiving overtime.
Eligible Applicants:	Employees designated and who worked in direct care and service titles in DOH, to ensure consistent delivery of critical services.
Eligible Criteria:	Hours of work performed during which the employee is performing at-risk in-person services.

Potential Duplication of Benefits:	This will be updated if a potential duplication of benefits is identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4185 (January 15, 2021) which discusses payroll and benefits.

4.17 New Jersey Transit

NJ Transit operates New Jersey's public transportation system in order to provide safe, reliable, convenient and cost-effective mass transit service. NJ Transit has spent significant time and effort ensuring the health and safety of its customers by administering thorough, routine cleanings and ensuring adequate PPE is worn by its workers and riders to help mitigate and stop the spread of the virus. The funds were used as a reimbursement to NJ Transit for expenses incurred to date related to COVID-19 that had not been reimbursed from other federal funding sources. These eligible reimbursements included expenditures for testing, sanitization and PPE, disinfection of public areas, and expenses for telework. NJ Transit also used funds to cover eligible payroll expenses for NJ Transit's police force.

Entity Administering the Program:	Department of Transportation
Allocation for Activity:	\$30 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	New Jersey Transit public transportation.
Eligible Criteria:	CRF eligible expenses incurred.
Potential Duplication of Benefits:	The State was aware that NJ Transit has received funding from other sources, including CARES funds from the Federal Transit Administration (FTA). Eligible expenses reimbursed through CRF cannot also be reimbursed through FTA. The Department of Transportation determined eligibility through FEMA, and then per the direction of the United States Department of Treasury, the State can use CRF money.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details activities related to the disinfection of public areas as an example of eligible expenses. In addition, 86 Fed. Reg. 4185 (January 15, 2021) for the use of funds to cover payroll and benefits of public employees.

4.18 Increased Interest Payments

The State extended its income tax payment deadline from April 15, 2020 to July 15, 2020 to mirror the Federal tax deadline change made in response to COVID-19. This extension meant insufficient revenues available to repay the tax anticipation notes (TRANs) on June 25, 2020 as originally scheduled. Due to this insufficiency, in combination with the uncertain timing of expected revenue collections also impacted by the pandemic, the TRAN repayment date was extended again to September 25, 2020. New Jersey used CRF funds for the interest expense payable on TRANs by the borrower and unbudgeted administration and transactional costs, such as necessary payments to advisors and underwriters, associated with the issuance of the TRANs.

Entity Administering the Program:	Department of Treasury
Allocation for Activity:	\$25 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	New Jersey State Government
Eligible Criteria:	Funds were used based on actual interest payment needs.
Potential Duplication of Benefits:	Based on current Funds use, no potential duplication of benefits had been identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4190 (January 15, 2021) which details tax anticipation notes information.

4.19 Food Banks

Twenty million from the COVID-19 Recovery Funds were used to support New Jersey Emergency Feeding Organizations, which had been administering projects including food banks, food pantries, hunger relief centers, soup kitchens, and other similar nutrition providing assistance to relieve situations of emergency and distress with food to needy, low-income, and unemployed persons. Half of the \$20 million allotment was distributed by the end of August 2020 and the second half before December 2020.

Entity Administering the Program:	Department of Agriculture
Allocation for Activity:	\$25 million
Maximum Award:	Dollars allotted to each organization were based on a fair share formula using the number of people each of them feeds.
Eligible Applicants:	The State's six Emergency Feeding Organizations – Southern Regional, Food Bank of South Jersey, the Community Food Bank of New Jersey, Mercer Street Friends, Fulfill, and Norwescap.
Eligible Criteria:	Emergency Feeding Organization experiencing increased difficulties in obtaining nutritious foods.
Potential Duplication of Benefits:	The Department of Agriculture obtained any necessary information from recipients of this grant to indicate compliance by recipients with the New Jersey food insecurity program and federal requirements.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details food delivery related costs and homelessness care costs as examples of eligible expenses.

4.20 Assistance to Microbusinesses

Twenty-five million of funding was reserved to support businesses that had 5 or fewer full time equivalent employees (FTEs) in each of the eight quarters— 1st Quarter 2019 – 4th Quarter 2020—of WR-30 filings (including

businesses with no FTEs), given the unique financial vulnerability experienced because of COVID-19 by micro-businesses, which typically had lower financial reserves. Thirty-three percent (33%) of the funding within this category was directed to support entities that have a commercial business address (or home address for home-based businesses) located (fully or partially) in a census tract that was eligible to be selected as a New Jersey Opportunity Zone (i.e., a New Market Tax Credit census tract).

Entity Administering the Program:	Economic Development Authority
Allocation for Activity:	\$25 million
Maximum Award:	5 FTEs or fewer, including businesses with no FTEs - \$10,000 6-25 FTEs - \$15,000 26-50 FTEs - \$20,000
Eligible Applicants:	Small businesses that had revenue lost as a result of a business interruption caused by COVID-19.
Eligible Criteria:	Expenditures related to the provision of grants to small businesses to reimburse the costs of business interruption caused by required closures.
Potential Duplication of Benefits:	NJEDA was responsible for implementing controls within its grant programs to assess and determine that expenditures are necessary due to the COVID-19 public health emergency and that funds do not duplicate existing forms of small business assistance already received by applicants.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which discusses small business interruption reimbursements.

4.21 Elections - 2020

Due to the COVID-19 health emergency and the establishment by federal law of dates for the November 2020 general election and the December meeting of electors, Executive Order 177 was issued requiring all voters in the State to receive a mail-in ballot for the general election.

Entity Administering the Program:	Department of State
Allocation for Activity:	\$24 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	21 Counties in New Jersey
Eligible Criteria:	<ul style="list-style-type: none"> • Expenses for communication and enforcement by State, territorial, local and Tribal governments of public health orders related to COVID-19 are eligible. • Expenses for disinfection of public areas and other facilities, e.g., nursing homes, in response to the COVID-19 public health emergency are eligible. • Expenses for acquisition and distribution of medical and protective supplies, including sanitizing products and personal protective equipment are eligible expenses.

	<ul style="list-style-type: none"> Expenses for technical assistance to local authorities or other entities on mitigation of COVID-19-related threats to public health and safety are eligible. Expenses for public safety measures undertaken in response to COVID-19 are eligible. Any COVID-19 related expenses reasonably necessary to the function of government that satisfy the Fund's eligibility criteria are eligible.
Potential Duplication of Benefits:	Based on current Funds use, no potential duplication of benefits had been identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4184 (January 15, 2021) which details communication and public health and safety measures as examples of eligible expenditures.

4.22 Emergency Projects

As a result of the ongoing COVID-19 public health emergency, the New Jersey State Police (NJSP) and the NJOEM requested CARES Funding for administrative costs and additional emergency response vehicles for NJSP to comply with ongoing public health measures related to the pandemic.

Entity Administering the Program:	NJSP and NJOEM
Allocation for Activity:	\$23 million
Maximum Award:	There were no preset minimum or maximum award amounts for this program.
Eligible Applicants:	NJSP and NJOEM
Eligible Criteria:	<ul style="list-style-type: none"> Expenses associated with the conducting a recovery planning project or operating a recovery coordination office would be eligible, if the expenses otherwise meet the criteria set forth in section 601(d) of the Social Security Act outlined in the Guidance. Expenses for public safety measures undertaken in response to COVID-19 are eligible. A recipient may use payments from the Fund to purchase a durable good that is to be used during the current period and in subsequent periods if the acquisition in the covered period was necessary due to the public health emergency.
Potential Duplication of Benefits:	Based on current Funds use, no potential duplication of benefits had been identified.
Applicable Guidance:	See Coronavirus Relief Fund for State, Tribal Governments, and Certain Eligible Local Governments, 86 Fed. Reg. 4183 (January 15, 2021) which details purchases of durable goods that were necessary due to the public health emergency.

4.23 Programs under \$20 million

Program	Department	Dollar Allocation (in millions)	Description
Small Business Lease Emergency Assistance Grant	New Jersey Redevelopment Authority	15.5	Grant program assisted applicants in 64 NJRA eligible communities with business operations that were adversely impacted by COVID-19.
Utilities Assistance	Department of Community Affairs	15.0	DCA used a portion of the funds to address arrearages among the low-income households who are current Universal Service Fund (USF) participants with the greatest need. The remainder of available funds was allocated to counties to provide residents who are not current USF participants with additional utility arrearage assistance.
Assistance to Businesses and Nonprofits (Assembly Bill – 5446)	New Jersey Economic Development Authority	15.0	This program assisted businesses and nonprofit organizations with preserving and creating jobs, spurring economic recovery and preventing additional closures. 33% of the fund is to support entities that are part of the NJ Opportunity Zone.
Sustain and Serve	New Jersey Economic Development Authority	14.8	Supported restaurants and other businesses which were and continue to be disproportionately impacted by COVID-19 because of caps on location dining and unusual costs incurred to adapt business models for safe COVID-19 operations.
Homelessness Prevention	Department of Human Services	14.0	Grants allowed counties to provide critical support to prevent and address homelessness for individuals lost jobs or were unable to find work.
Increased Income Assistance Needs	Department of Human Services	13.3	The State had seen increased enrollment in its General Assistance program ⁷ since the start of the pandemic. These funds helped cover additional costs for the new people enrolling in the program, since it did not receive a federal match.
Main Street Relief Program	Department of Community Affairs	12.5	Neighborhood Revitalization Tax Credit Program – Provided business entities an 80% tax credit for funds provided to nonprofit entities carrying out

⁷ The General Assistance program is for those who are homeless or at immediate risk of becoming homeless, and those who have experienced a substantial loss of housing, food, clothing or household furnishings due to fire, flood or similar disaster.

Program	Department	Dollar Allocation (in millions)	Description
			<p>revitalization plans.</p> <p>Neighborhood Preservation – Provided direct financial and technical assistance to municipalities.</p> <p>Main Street New Jersey – Funds for communities that provided on- and off-site technical assistance and training in downtown revitalization and management.</p>
Provider Reimbursements and PPE Support	Department of Human Services & Department of Children and Families	10.8	<p>This program provided reimbursements to community-based providers, including providers who develop and provide services for people with disabilities, shelters for PPE purchases.</p>
Assistance to Food Bank Organizations (Assembly Bill 5405)	Department of Agriculture	10.0	<p>This program provided assistance to 6 nonprofit tax-exempt food bank organization along with funds being allocated to NJ Agricultural Society – Farmers against Hunger.</p>
Assistance to Child Care Centers (Assembly Bill 5445)	New Jersey Economic Development Authority	10.0	<p>This program provided financial assistance to childcare providers that had been negatively impacted by the COVID-19 public health emergency. 33% of the funding within this category was directed to support entities that are part of the NJ Opportunity Zone.</p>
County Benefits Administration	Department of Human Services	9.8	<p>Funding managed the expected increase in applications and enrollment in public assistance programs like Medicaid and SNAP food assistance as federal COVID-19 relief programs end prematurely (i.e. federal UI supplement and eviction moratorium).</p>
Mobile Response and Stabilization Services	Department of Children and Families	8.2	<p>The funds for this program were for New Jersey's crisis response services for youth with behavioral health conditions and intellectual and developmental disabilities. The services were available 24</p>

Program	Department	Dollar Allocation (in millions)	Description
			hours a day, 365 days a year and responded to children or youth in crisis at any location requested by family.
CCR Increased Per Diem Rates	Department of Human Services	7.9	The funds from this program increased the per diem payment rates for Community Care Residences who provided additional care and encountered increased expenses due to the closure of day programs and workshops to reduce the risk of COVID-19 for adults with developmental disabilities.
Assistance to Arts and Culture Organizations (Senate Bill – 3521)	New Jersey Economic Development Authority	7.5	Nonprofit arts organizations statewide were eligible to apply to the NJCA for a one-time, non-matching grant, to cover the allowable costs as dictated in the Coronavirus Relief Fund Program Guidance, distributed by the federal government. Eligible applicants included New Jersey-based, arts-missioned registered nonprofit organizations providing public programming in New Jersey.
Assistance to Arts and Culture Organizations (Senate Bill – 3521)	Department of State	7.5	Nonprofit arts organizations statewide were eligible to apply to the NJCA for a one-time, non-matching grant, to cover the allowable costs as dictated in the Coronavirus Relief Fund Program Guidance, distributed by the federal government. Eligible applicants included New Jersey-based, arts-missioned registered nonprofit organizations providing public programming in New Jersey.
Non-Congregate Shelter	Department of Children and Families	7.5	Program provided to owners of small residential rental properties to cover missed or reduced rental payments between April and July 2020.
Regional Health Hubs	Department of Human Services	7.3	Funds provided four existing Regional Health Hubs (located in Camden, Paterson, Newark and Trenton) aid to residents starting 1/1/21 and afterwards in navigating and obtaining testing, vaccination, isolation and quarantine other wrap around services related to COVID-19 mitigation.

Program	Department	Dollar Allocation (in millions)	Description
Long term care facility surveys/oversight	Department of Health	5.8	Funds allowed DOH to conduct surveys and complaint investigations.
Business PPE Purchase Enabling	New Jersey Economic Development Authority	5.5	Program helped business owners identify and acquire the PPE and other safeguarding supplies they needed and purchased at an affordable price.
Substance Use and Mental Health	Department of Human Services and Children and Families	5.1	This program reimbursed community-based mental health and substance use disorder non-profit providers that participated in Division of Mental Health and Addiction Services programs and Department of Children and Families programs for COVID-19 related expenses.
Non-profit Arts Organization	Department of State	5.0	The program assisted individuals in getting back to work, lessened the burden on public assistance programs and invested in New Jersey families and communities in every county.
Small Landlord Program	New Jersey Housing and Mortgage Finance Agency	4.9	Program provided assistance to owners of small residential rental properties to cover missed or reduced rental payments between April and July 2020.
Telework/IT Upgrades and Innovation COVID Response	Office of Information Technology & Office of Innovation	3.9	Information technology upgrades, website testing databases and communication software upgrades necessary and related to COVID-19. Provided advisory services to State departments in the area of modernizing, improving and streamlining government services.
Compliance and Action Plan	Department of Treasury	3.2	The funds used to retain qualified Integrity Monitors to ensure that agencies administered COVID-19 Relief Funds in compliance with program, financial, and administrative requirements set forth in the federal-state grant agreement, the State-Recovery Program Participant sub-

Program	Department	Dollar Allocation (in millions)	Description
			grant agreement, and applicable federal and state laws, regulations and guidelines. In addition, funds were used to hire a contractor to assist in tasks related to COVID-19 funding and recovery programs.
Elections 2021	Department of State	3.0	Funds toward increased costs of supplies and additional staff resources in the form of both overtime for current staff and temporary staff. Additional ballot drop-boxes, mail sorters, and scanners were also required to implement the measures necessary to facilitate the elections scheduled for April 20, 2021.
Workforce Training and Reskilling	Department of Labor & Workforce Development	2.7	Funds directed to workforce training and reskilling supports to targeted sectors.
Hotel/Motel Uncompensated Costs	Department of Human Services	2.5	This program provided financial assistance to hotels/motels negatively impacted by COVID-19 that provided shelter to Emergency Assistance individuals placed in hotel/motels through the NJ Homeless Hotline or the County Boards of Social Services.
Supporting Vulnerable Youth	Department of Children and Families	2.0	Supported young people experiencing COVID-related financial hardships by offering up to \$300 monthly retroactive from April 1, 2020 through December 30, 2020 (nine months).
COVID-19 Worker Protection	Department of Labor & Workforce Development, Rutgers University	1.6	Additional hires, staffing, and equipment to support increased capacity to oversee inspections. Advanced payments for advocate-run worker training and outreach programs.
Narcan for Harm Reduction Centers (HRCs)	Department of Health	1.0	Funds used primarily for naloxone, as well as towards purchasing PPE, and making other necessary modifications to HRCs to ensure proper infection control (e.g., purchasing of plexiglass and additional cleaning supplies).
Office of Volunteerism- Nonprofit Assist	Department of State	.8	Supported NJ's 1.5 million volunteers with training and recognition while matching community needs in partnership with volunteer centers, disaster response organizations, business volunteers, schools, colleges, faith-based

Program	Department	Dollar Allocation (in millions)	Description
			organizations, and community organizations.
Congregate Care Supports	Department of Children and Families	.7	This program provided funds for support of eligible reimbursement, such as costs involved with social distancing, intensified and more frequent cleaning, PPE for staff and resident, and technology to facilitate remote work opportunities for staff and virtual education/telework needs.
Extended employment reimbursement	Department of Labor & Workforce Development	.6	The funds allowed Extended Employment Services Providers to re-open in a safe manner and to ensure the safety of employees and visitors

Section 5: Monitoring Protocol for Sub-recipients of CRF

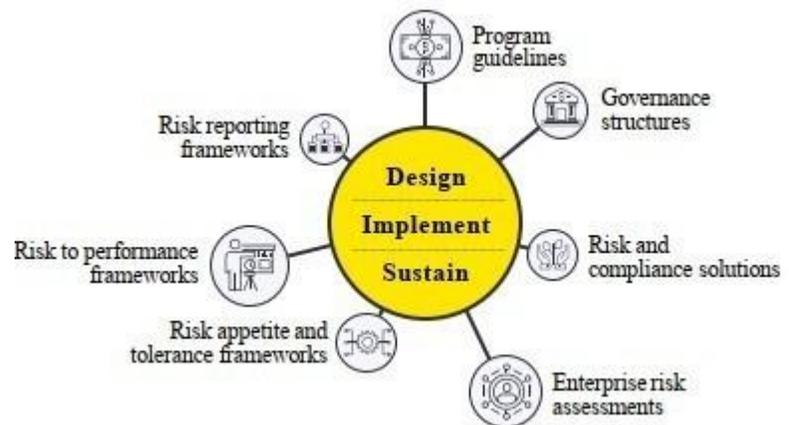
5.1 Introduction

EO 166 directs the established Taskforce to issue a Compliance Plan⁸ describing the State's plan to guard against fraud, waste and abuse in the disbursement of COVID-19 Recovery Funds and Recovery Programs. A robust monitoring program is an essential element of the State's overall COVID-19 relief management process. Such a program is necessary to ensure that objectives, timelines, budgets, and other related program and financial criteria are being met, as well as all Federal and State laws, regulations, and guidelines.

Pursuant to EO 166, Recovery Program Participants may retain and appoint Integrity Monitors to oversee the disbursement of COVID-19 Recovery Funds and the administration of a COVID-19 Recovery Program. They are intended to serve as an important part of the State's accountability infrastructure while working with Recovery Program Participants to develop measures to prevent, detect, and remediate fraud, waste, and abuse, and to ensure that CRF payments are spent in an efficient, effective, and economical manner. EO 166 requires the public posting of the Integrity Oversight Monitor Reports on the COVID-19 transparency website, and the Treasurer is responsible for also delivering the reports to the Senate President, the Speaker of the General Assembly, the GDRO, the Attorney General, and the State Comptroller.

Generally, the role of the Integrity Monitor is to perform the following tasks:

- Conduct ongoing risk assessments;
- Evaluate project performance;
- Evaluate internal controls associated with the Recovery Program Participant's financial management, cash management, acquisition management, property management, and records management capabilities;
- Validate compliance with sub-grant award and general term and special conditions;
- Review written documents, such as quarterly financial and performance reports, recent audit results, documented communications with the State, prior monitoring reports, pertinent performance data, and other documents or reports, as appropriate;
- Conduct interviews of Recovery Program Participant staff, as well as the constituents they may be servicing, to determine whether program objectives are being met in an efficient, effective, and economical manner;
- Sample eligibility determinations and denials of applications for funding;
- Review specific files to become familiar with the progression of the disbursement of funds in a particular program, i.e., are actual expenditures consistent with planned expenditure and is the full scope of services listed in the project work plan being accomplished at the same rate of actual and planned expenditures;



⁸ The State's Compliance Plan can be found here:

https://www.nj.gov/comptroller/news/docs/compliance_plan_covid19_compliance_oversight_taskforce.pdf

- Ensure that the agency is retaining appropriate documentation, based on Federal and State regulations and guidance, to support fund disbursement; and
- Follow up with questions regarding specific funding decisions, and review decisions related to emergency situations;
- Facilitate the exchange of ideas promote operational efficacy;
- Identify present and future needs; and
- Promote cooperation.

All CRF payments, regardless of size, are subject to monitoring. This may involve a basic desk review of the Recovery Program Participant's financial and performance reports or a detailed on-site review, depending on the level of confidence placed on the Recovery Program Participant's ability to manage CRF payments.

A Memorandum of Understanding (MOU) was required for all Recovery Program Participants, which set out the plans for the funds, as well as requirements related to eligibility and documentation. The MOU also set out expectations on monitoring. The MOU required that the participants use CRF payments only for eligible costs, and in compliance with all relevant requirements.

5.2 Risk assessments

For Recovery Program Participants that have received or administered a total of up to \$20 million in COVID-19 Recovery Funds, the Recovery Program Participant's Accountability Officer should have conducted a risk assessment and consult with the Governor's Disaster Recovery Office (GDRO) regarding whether an Integrity Monitor was necessary to reduce or eliminate any risks identified during the assessment.

Recovery Program Participants received or administered a total of \$20 million or more in COVID-19 Recovery Funds should retain at least one Integrity Monitor. Multiple Integrity Monitors should be retained if one monitor is not adequate to oversee multiple programs being implemented by the Participant, as determined in consultation with the GDRO.

If the Recovery Program Participant had already spent the funding, a risk assessment should still be performed in order to identify any potential concerns with the process that needed to be discussed immediately.

The risk assessment should have included a review of the Participant's ability to comply with the CARES Act or other Federal statutory requirements as well as applicable State laws and regulations, including regarding reporting, monitoring, and oversight, and a review of the Participant's susceptibility to fraud and abuse. When conducting the risk assessment, the Accountability Officer should have taken into consideration the following factors:

- Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular;
- Input from the individuals/units that disbursed funds or administering the program;
- Review of existing internal controls and any identified weaknesses; Participant internal control weaknesses, if applicable;
- Amount of funds being disbursed to a particular category and the complexity of its project(s); and
- Whether Federal or State guidelines provide guidance regarding the uses of funds (i.e., discretionary vs. restrictive).

The overall level of risk identified during the assessment should have dictated whether an Integrity Monitor was needed and the frequency and depth of monitoring practices, including how to mitigate identified risks (i.e. providing training and technical assistance, increasing the frequency of on-site reviews, or arranging for agreed-upon-review procedures). In some cases, monitoring efforts may result in a determination to impose additional special conditions on the Participant.

The Accountability Officer should have determined the Participant's risk tolerance as to all recovery programs and particular programs, recognizing that Integrity Monitors may not be for all programs. If the risk exceeded an appropriate level of risk tolerance, the Accountability Officer should engage an Integrity Monitor.

An important element in the risk assessments is the documentation of the process and results. This is critical to ensuring that support is available when determining whether on-site visits are necessary or beneficial. Depending on the type of work the Participant performs, risk may be addressed more frequently, even quarterly, to account for changes related to the Participant.

5.3 Duplication of benefits assessments

The Federal government's unprecedented COVID-19 relief package involves a myriad of programs that are being delivered to State and local governments via numerous Federal agencies, e.g., Treasury, FEMA, HUD, DOL, HHS, CDC, SBA, EDA, etc. These programs may overlap and duplicate the assistance available under the Coronavirus Relief Fund.

Accordingly, Recovery Program Participants must be vigilant and take additional steps to:

- Ensure the integrity of their CRF payments;
- Ensure that they use the most appropriate funding stream; and
- Avoid applying for and receiving funds from different Federal agencies for the same activity.

Likewise, the Integrity Monitor must be attentive to the possibility that the Recovery Program Participant, and the ultimate beneficiary, may be receiving duplicate benefits for the same project or activity. To determine whether a Participant/ ultimate beneficiary is receiving duplicate benefits, the Integrity Monitor should have obtained a listing of all awards obtained directly from federal agencies, along with listings from the State and counties which received direct CRF. These listings should have included the programs utilizing the funds and involved agencies/ parties to enable a comparison and potential identification of a duplication of program uses.

5.4 Desk reviews

Remote desk reviews should have occurred before on-site visits are scheduled. Depending on the results of the desk review, coupled with the conclusions reached during any risk assessments conducted of the Participant's capabilities, the Integrity Monitor may decide to proceed with an on-site monitoring visit (if these are allowable, based on then-in-place COVID-19 social distancing regulations).

If the Integrity Monitors were satisfied that essential project goals, objectives, timelines, budgets, and other related program and financial criteria are being met, then the Integrity Monitor should document the steps taken to reach this conclusion and dispense with an on-site monitoring visit. Should the Integrity Monitor note only minor discrepancies or problems, then the Integrity Monitor should have contacted the Participant by e-mail to confirm the findings and reconcile the discrepancies, or otherwise obtain agreement on the actions that must be taken to resolve any problems.

If the Integrity Monitor cannot definitively determine through a desk review if the Participant is accounting for, and administering disaster relief funds according to the regulations, or it has been determined that the Participant is high risk, then an on-site monitoring visit should be scheduled.

5.5 On-site reviews

On-site reviews build on previously completed risk assessments and desk reviews. Due to COVID-19 and social distancing guidance, on-site review may not be possible. However, if they were allowed, and once the decision is made to conduct an on-site visit, the Integrity Monitor should have contacted the Participant's Accountability Officer to schedule an on-site visit. The Integrity Monitor should have briefed the Participant on what activities and discussions took place, so that the Participant may ensure that all relevant parties are available to participate in the meetings during the on-site visit.

The on-site review determined the Participant's ability to comply with the CARES Act and all other applicable regulations, including requirements governing reporting and internal controls. When conducting an on-site review, the Integrity Monitor should have addressed the Participant's management capabilities, among other metrics.

5.5.1 Program management

The Integrity Monitor should have assessed whether the Participant's performance expectations for its CRF programs and projects are being achieved and whether remedial actions are necessary to ensure that planned CRF programs and projects are accomplished.

This included areas such as Scope of Goods and Services, Levels of Accomplishments, Timeliness of Performance, Budget, Staffing, Performance Reports, and Special Conditions.

5.5.2 Financial management

The Participant must have an accounting system and framework capable of:

- Identifying separately the receipts, disbursements, assets, liabilities, and fund balances for each CRF-related project, both small and large;
- Providing a summary of financial information that will enable the preparation of periodic reports required by GDRO; and
- Ensuring that policies and procedures are used efficiently and effectively and according to all applicable laws, regulations, and requirements.

The Integrity Monitor will review the following:

- Supporting Documentation;
- Components of a Financial Management System;
- Project Costs;
- Reconciliations;
- Budgetary Controls;
- Accounting;
- System for Internal Control;
- External Reconciliations;
- Project Income;
- Other Financial Assistance;
- Indirect Costs; and
- Eligible, Allocable, and Reasonable Costs.

5.5.3 Acquisition management

New Jersey government agencies and their CRF Participants must have followed their own procurement policies and procedures insofar as those policies and procedures comply with fundamental principles of sound business management and prohibit wasteful and ineffective procurement practices.

Therefore, the Integrity Monitor will review procurement supporting documentation.

5.5.4 Cash management

CRF payments are not subject to the Cash Management Improvement Act of 1990 (as amended). This does not relieve the Participant, however, from exercising sound cash management of its COVID-19 relief funds. The Participant must be able to account for the receipt, obligation, and expenditure of COVID-19 Recovery Funds.

5.5.5 Property management

If the Recovery Program Participant used equipment/property purchased with CRF payments, the Integrity Monitor will review the process by which the equipment/property is recorded, retained, and disposed of (if applicable).

5.5.6 Records management

According to guidance issued by the U. S. Department of Treasury's Office of Inspector General, Recovery Program Participants must maintain records sufficient to establish compliance with the CARES Act.

In addition, according to Inspector General guidance, the GDRO and each of the Recovery Program Participants must maintain sufficient records to support the interim reporting requirements under the CRF program. Finally, according to the Inspector General's guidelines, the GDRO and each of the Recovery Program Participants must maintain sufficient records to support the quarterly reporting requirements under the CRF program.

5.6 Timing and conclusion of review

Pursuant to EO 166, Integrity Monitors shall submit draft quarterly Integrity Monitoring Reports, detailing the specific services rendered and any findings. These Reports are maintained in the GDRO's master file. In addition, the Integrity Monitor should hold an exit conference with the Accountability Officer and appropriate members of the Recovery Program Participant's management team.

The exit interview should highlight what will be included in the Integrity Monitoring Report, which should be prepared by the Integrity Monitor immediately following each quarterly review. If any outstanding financial, compliance, or program issues are identified, the Participant has 15 days to respond, from when they received the report. These Corrective Action Plans must identify the steps taken by the Participant to remedy the Integrity Monitor's findings. This response must not only correct the immediate problem(s) but also should create future controls to prevent a reoccurrence of any identified problems. For example, if COVID-19 Recovery Funds were used for an impermissible activity, those funds should be recovered or otherwise resolved, and the response should create a new pre-approval process for future expenditures.

The Integrity Monitor must immediately report noncompliance or malfeasance, and any sanctionable activities to all appropriate State authorities, including the GDRO, Office of State Controller, State Treasurer, State Attorney General, and State Contract Manager.

If the Integrity Monitor determines that noncompliance cannot be remedied by imposing additional conditions on the Participant, then the GDRO may take additional measures, such as:

- Temporarily withholding cash payments pending correction of the deficiency;
- Disallowing all or part of the cost of the activity or action not in compliance;
- Withholding future awards;
- Imposing a high-risk designation or special award conditions;
- Suspension of the award, suspension of payment, or both;
- Termination of the award; or
- Taking other remedies that may be legally available.

The GDRO should finalize management decisions identified during the monitoring process and the Recovery Program Participant should implement remediation plans accordingly. Ideally, this should be a collaborative process between GDRO and the Recovery Program Participant.

In addition to risk assessments, and on-site reviews, the Recovery Program Participant may be subject to outside audits by the U. S. Department of Treasury's Office of the Inspector General (OIG) or the Government Accountability Office (GAO), among others. The GDRO is responsible for reviewing the results of these audits to determine whether there are any findings pertinent to the operation and management of the Recovery Program Participant's use of COVID-19 Recovery Funds. If any material weaknesses are identified in these outside audits, the Recovery Program Participant will be responsible for developing and executing a Corrective Action Plan to address the weaknesses.

Recovery Program Participants must be made aware that the Federal government may pursue administrative, civil, or criminal action under a variety of Federal statutes, including those related to fraud and making false statement or claims. Recovery Program Participant employees should contact the GDRO immediately if they become aware of the existence or apparent existence of fraud, waste, or abuse. Examples of fraud, waste, and abuse that must be reported include, but are not limited to, embezzlement, misuse or misappropriation of CRF payments or property, and false Statements, whether by organizations or individuals. Other examples include theft of funds for personal use; using funds for non-payment-related purposes; theft of Federally-owned property or property acquired or leased under a payment; charging inflated fees; and submitting false financial reports. If the Recovery Program Participant fails to comply with any of the award terms and conditions, the GDRO may take additional enforcement actions.

Appendix A: Notable Spending Breakdowns

A.1 EDA Small Business Grant



EDA- Small Business
Phase I.pdf



EDA- Small Business
Phase II.pdf



EDA- Small Business
Phase III.pdf

A.2 DOE School Re-Opening and Remote Learning



DOE%20School%20
Reopening.xlsx

A.3 DCA Local Government Relief



DCA%20Local%20G
overnment%20Emer

A.4 DOE K-12 Digital Divide



DOE%20Digital%20
Divide.xlsx